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Date of Hearing: July 13, 2005

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Judy Chu, Chair

SB 355 (Murray) - As Amended: July 5, 2005

Policy Committee:	Business and
Professions	10-0
Judiciary	7-0

Urgency: No State Mandated Local Program:
No Reimbursable:

SUMMARY

This bill makes it illegal for anyone to request that a consumer provide personal information by using e-mail, Web sites, or the Internet to impersonate a legitimate business. Specifically, this bill:

- 1) Makes it unlawful for a person to use a Web page, email, or the Internet to misrepresent that they are a business and to solicit or induce another person to provide their personal information without the authority or approval of that business.
- 2) Provides that the following persons may bring a civil action against a person who violates the above:
 - a) A person who is engaged in the business of providing Internet access service to the public, owns a Web page, or owns a trademark, and is adversely affected by a violation.
 - b) An individual who is adversely affected by a violation.
 - c) The Attorney General or a district attorney.
- 3) Specifies available remedies, including the maximum amount of available damages, and provides that a court may increase the amount of damages and/or award attorney's fees to a prevailing plaintiff.

FISCAL EFFECT

Potential costs to the Attorney General or to district attorneys

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who elect to bring actions pursuant to the above, potentially offset to some extent by damage awards.

COMMENTS

Purpose . This bill makes it illegal for anyone to try to fraudulently induce a consumer to provide personal information online by impersonating a legitimate business (i.e. phishing). Phishing is a widespread technique for obtaining personal information and is used to facilitate identity theft and other crimes. Phishers use fraudulent emails or Web sites to trick consumers into providing personal information, such as bank account numbers and social security numbers, to what is believed to be a legitimate company.

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